For Immediate Release:

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Kucinich Subcommittee Opens Investigation of Continental-United Merger

Washington D.C. (June 16, 2010) – Congressman Dennis Kucinich (D-OH), Chairman of the House Domestic Policy Subcommittee, today <u>testified</u> that his Subcommittee will investigate whether Continental Airlines has been "completely forthright" in its dealings with government regulators. He also sent a <u>letter</u> to Mr. Jeffery A. Smisek, Chairman, President, and CEO of Continental Airlines, requesting internal documents from the company.

"A year ago Continental received the support of regulators and government officials to enter a complex marketing alliance with United on the basis of its insistence that it did not need to fully merge operations with United. Now it is easy to see that the merger was Continental's plan all along. Continental's apparent willingness to make whatever representations are necessary to garner support for its plans casts doubt on both Continental's stated motivations for the present merger and its intended post-merger conduct." said Kucinich.

Kucinich's Subcommittee is asking for materials the company presented to regulators when it sought an exemption from antitrust exemption to join Star Alliance Atlantic Plus Plus program, as well as internal documents related to Continental's plans, filings and financial projections at the time. Continental may have led officials to believe that the Atlantic Plus Plus program would replace the need for a merger, and the company may have received support from a number of government officials on that basis. Now, only one year after receiving anti-trust immunity to join the alliance, Continental is seeking government approval to merge with United Airlines to form the world's largest airline.

Kucinich is also questioning the company's claims of economic benefits from the proposed merger, and has demanded internal information about the proposed merger's projected revenue gains. Kucinich also expects Continental to turn over and forecasts for changes in fares, service reductions and job cuts associated with the merger.

Read the letter here.

Read Kucinich's testimony $\underline{\text{here}}$.

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